

To establish *prima facie* obviousness of a claimed invention, all the claim limitations must be taught or suggested by the prior art. *In re Royka*, 490 F.2d 981, 180 U.S.P.Q. 580 (C.C.P.A. 1974), MPEP § 2143.03.

Rejected independent claim 1 states:

A system comprising:

a rules engine which is operable to assess a value of an insurance claim as a function of a plurality of rules;

a database which stores rules data which is transformable to said plurality of rules, wherein said database is separate from said rules engine. (Claim 1)

Applicant respectfully submits that the Examiner has failed to establish *prima facie* obviousness of claim 1 since all of the features of claim 1 are not taught or suggested in the cited art.

For example, the Examiner has not shown that a rules engine which is operable to assess the value of an insurance claim as a function of a plurality of rules is taught or suggested in the cited art. In the Office Action, the Examiner points to McKee, Col.1, lines 6-37 in rejecting these features. The referenced section of McKee states:

The present invention generally relates to expert computer systems, and more particularly to an improved method of managing an expert business system that relies on a large number of business rules, which method facilitates an understanding of the interactions of the business rules, and simplifies revision of the rules as required by changes in business procedures and policies.

## 2. Description of Related Art

Businesses use a wide variety of computer hardware and software products, for many different purposes. The hardware of a typical business information system includes a multitude of interconnected computers, printers, scanners, communications equipment, and other peripheral devices, allowing the business to automate much of the processing of its business information. The computers may be of different types, such as mainframes, minicomputers, or network servers supporting client workstations (personal computers, or PCs), or some combination of the foregoing. Business software includes (without limitation) accounting, word processing, database management, communications,

publishing, and multimedia presentation software, as well as payroll, financial planning, project management, decision and support, personnel records, and office management software and further including specific business applications such as insurance claims and losses, credit approval, order entry and inventory, etc. All of these programs can run on a variety of platforms, including different operating systems. Businesses often have an Information Services or Information Technology (IT) department which is responsible for the overall management, support and planning of the company's information system needs. (McKee, Col. 1, lines 6-37).

Applicant respectfully submits that the cited portion of McKee (as well as the rest of McKee) does not appear to teach or suggest a rules engine operable to determine the value of an insurance claim. Further, the cited portion of McKee (as well as the rest of McKee) does not appear to teach or suggest determining the value of an insurance claim based on a plurality of rules. )?

Regarding the features of "a database which stores rules data which is transformable to said plurality of rules," (Claim 1) the Examiner refers to McKee column 1, lines 6-57. Lines 6-37 are quoted above, lines 38-57 state:

Many businesses have found that as they undergo changes, their IT departments have been unable to keep up with the needed support of their business applications. The changes may be a result of market forces, governmental regulation, or policy switches within the company. This problem is further exacerbated by the swift pace of innovation in the computer industry. Some businesses and their IT departments are addressing this problem by gradually re-working their applications to externalize the variability in these systems into "business rules." The idea is to have business rules automatically implement the established procedures of a company. Business rules might be used to assist in various business decisions, such as whether to increase (or decrease) staffing, how many resources to allocate to a particular project, or when to introduce a new product to the market. The ultimate goal of these systems is to allow business domain experts, not programmers, to change the way the system works, as the needs of a business change. One approach to doing this is to utilize object-oriented expert systems. (McKee, Col. 1, lines 38-57)

The cited portion of McKee appears to be directed to the general concept of business rules. However, Applicant respectfully submits that the cited portion of McKee (as well as the rest of

McKee) does not appear to teach or suggest a database which stores rules data transformable to form the rules.

Claim 1 further states "wherein said database is separate from said rules engine." (Claim 1) The Examiner acknowledges that McKee does not appear to teach or suggest this feature. However, the Examiner states that Hammond suggests this feature. The referenced portion of Hammond states:

In the preferred embodiment of the present invention, claim prediction using the models is accomplished via direct communication between a host computer at the insurance carrier's facility, for example, a carrier's multipurpose mainframe computer, and a PC dedicated to the program also located at the carrier's facility. The three models for a given carrier are maintained and stored on the aforementioned dedicated PC and are accessible by the host computer via a direct data communication line. The insurance carrier will maintain its claim record in data files on the host computer in the course of its business. A separate computer program resides in the host computer which converts the carrier's data files into a format readable by the program, as described previously. Such formatted information is downloaded to the PC in a process step 301 to obtain model predictions. After formulating claim predictions, the system creates an upload file containing such predictions which is uploaded to the host computer and may then be accessed by the carrier. (Hammond, col. 13 line 54 through col. 14 line 4).

The cited portion of Hammond appears to be directed to communication of two computers to determine a model. However, the cited portion of Hammond (as well as the rest of Hammond) does not appear to teach or suggest a database including rules data, wherein the database is separate from the rules engine. For at least the reasons discussed above, Applicant respectfully submits that independent claim 1, and claims dependent thereon (i.e., claims 2-16) are patentable over the combination of McKee and Hammond.

Independent claims 17 and 29 include similar features to those discussed above. For example, both independent claims 17 and 29 state:

providing a rules engine which is operable to assess a value of an insurance claim as a function of a plurality of rules;  
providing a database which stores rules data which is transformable to said plurality of rules, wherein said database is separate from said rules engine (Claims 17 and 29)

As is discussed above, these features do not appear to be taught or suggested by the cited art. Claims 17 and 29 further state, “transforming said rules data into said plurality of rules for use by said rules engine.” (Claims 17 and 29) Regarding this feature the Examiner refers to McKee, column 1, lines 6-57, which is quoted above. Applicant respectfully submits that the cited portion of McKee (as well as the rest of McKee) does not appear to teach or suggest transforming rules data into rules usable by a rules engine. For at least the reasons discussed above, Applicant respectfully submits that independent claims 17 and 29, and claims dependent thereon (i.e., claims 18-28 and 30-40, respectively) are patentable over the combination of McKee and Hammond.

**C. Many Of The Dependent Claims Are Separately Patentable**

The Examiner is also respectfully requested to separately consider each of the dependent claims for patentability. Many of the dependent claims in addition to those mentioned above are independently patentable.

For instance, claim 2 recites in part, “a translator program which is operable to read said rules data from said database and transform said rules data into said plurality of rules for use by said rules engine.” The Examiner has not shown that this feature is taught or suggested in the cited art. In rejecting claim 2, the Examiner cites column 7, lines 5-26 of McKee, which states:

Communication between processing system 20 and other data processing systems may be facilitated by serial controller 88 and network adapter 90, both of which are coupled to system bus 5. Serial controller 88 is used to transmit information between computers, or between a computer and peripheral devices, one bit at a

time over a single line. Serial communications can be synchronous (controlled by some standard such as a clock) or asynchronous (managed by the exchange of control signals that govern the flow of information). Examples of serial communication standards include RS-232 interface and the RS-422 interface. As illustrated, such a serial interface may be used to communicate with modem 92. A modem is a communication device that enables a computer to transmit information over standard telephone lines. Modems convert digital computer signals to interlock signals suitable for communications over telephone lines. Modem 92 can be utilized to connect data processing system 20 to an on-line information service or an Internet service provider. Such service providers may offer software that can be down loaded into data processing system 20 via modem 92. Modem 92 may provide a connection to other sources of software, such as a server, an electronic bulletin board (BBS), or the Internet. (McKee, col. 7. lines 5-26)

The cited portion of McKee appears to be directed to general concepts of computer communication. However, the cited portion of McKee (as well as the rest of McKee) does not appear to teach or suggest a transformation program which is executable to read rules data from a database and transform the rules data into a plurality of rules. For at least the reasons discussed above, Applicant respectfully submits that claim 2, and claims dependent thereon (i.e., claims 3-6) are patentable over the cited art.

In another example, claims 10, 19 and 31 recite in part, "wherein said rules data is stored in a tabular format in said database." In rejecting these claims the Examiner cites column 6, lines 10-34 of McKee, which states:

Reference now being made to FIG. 5, a high level block diagram is shown illustrating selected components that can be included in the data processing system 20 of FIG. 4 according to the teachings of the present invention. The data processing system 20 is controlled primarily by computer readable instructions, which can be in the form of software, wherever, or by whatever means such software is stored or accessed. Such software may be executed within the Central Processing Unit (CPU) 50 to cause data processing system 20 to do work.

Memory devices coupled to system bus 5 include Random Access Memory (RAM) 56, Read Only Memory (ROM) 58, and nonvolatile memory 60. Such

memories include circuitry that allows information to be stored and retrieved. ROMs contain stored data that cannot be modified. Data stored in RAM can be changed by CPU 50 or other hardware devices. Nonvolatile memory is memory that does not lose data when power is removed from it. Nonvolatile memories include ROM, EPROM, flash memory, or battery-pack CMOS RAM. As shown in FIG. 5, such battery-pack CMOS RAM may be used to store configuration information. Any combination of these memory devices may be used to store program instructions which carry out the business rules management system of the present invention. (McKee, col. 6, lines 10-34)

The cited portion of McKee appears to be directed to general concepts of software and computer memory. However, the cited portion of McKee (as well as the rest of McKee) does not appear to teach or suggest rules data stored in tabular format in a database. For at least the reasons discussed above, Applicant respectfully submits that claims 10, 19 and 31 are patentable over the combination of McKee and Hammond.

The Examiner also refers to column 6, lines 10-34 of McKee, as quoted above, in rejecting claims 12, 21 and 33. Claim 12, 21 and 33 state in part, "wherein said rules comprise logical instructions for assessing said value of said insurance claim." Applicant respectfully submits that the cited portion of McKee (as well as the rest of McKee) does not appear to teach or suggest rules which comprise logical instructions for assessing the value of an insurance claim. For at least the reasons discussed above, Applicant respectfully submits that claim 12, 21 and 33 are patentable over the cited art.

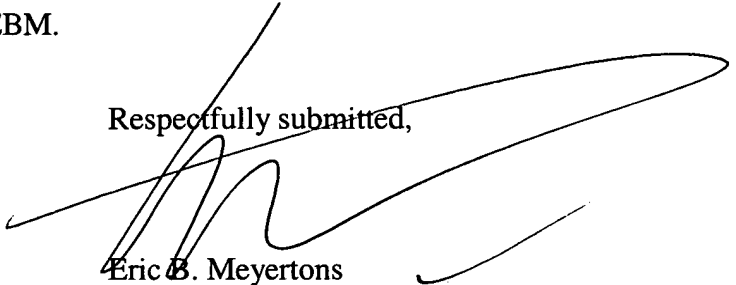
**D. Summary**

Based on the above, Applicant submits that all claims are in condition for allowance. Favorable reconsideration is respectfully requested.

Jones et al.  
09/603,144

It is believed that no fees are due in connection with the filing of this Amendment and Response to Office Action. If any extension of time is required, Applicant hereby requests the appropriate extension of time. If any fees are inadvertently omitted or if any additional fees are required, please charge those fees to Meyertons, Hood, Kivlin, Kowert & Goetzel, P.C. Deposit Account Number 50-1505/5053-28000/EBM.

Respectfully submitted,



Eric B. Meyertons  
Reg. No. 34,876

Attorney for Applicant

MEYERTONS, HOOD, KIVLIN, KOWERT & GOETZEL, P.C.  
P.O. BOX 398  
AUSTIN, TX 78767-0398  
(512) 853-8888 (voice)  
(512) 853-8801 (facsimile)

Date: 1/8/03